



Independent Accountants' Report on the Application of Agreed-Upon Procedures on Indirect Cost Rates Proposed by National Council for International Visitors

The Department of State, Office of Inspector General contracted with Regis & Associates, PC, Certified Public Accountants, to perform agreed-upon procedures to determine whether the National Council for International Visitors' proposed indirect cost rates for the fiscal years ended September 30, 2005, 2004, and 2003, complied with applicable regulations. The independent accountants found the Council's accounting system to be adequate for accumulating and reporting indirect costs under the provisions of Office of Management and Budget Circulars A-122, *Cost Principles for Non-Profit Organizations*, and A-110, *Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations*.

The independent accountants reported that the indirect cost rates proposed by the Council for the fiscal years ended September 30, 2005, and 2004, and 2003, were properly calculated. The independent accountants recommended that the Department accept and finalize the indirect cost rates for the stated years as proposed by the Council and recommended in the report.

Office of Inspector General

The Office of Inspector General conducts independent audits, inspections, and investigations to promote effective management, accountability, and positive change in the Department of State, the Broadcasting Board of Governors, and the foreign affairs community.